

# **FORMULA CALCULATIONS FOR DISTRIBUTION OF STATE SCHOOL MONEY**

For Districts with Operating Levy for School Purposes > \$2.75

## **WORKSHEET**

[See back of worksheet for definitions and explanations for each line.]

**CO-DIST NO.** \_\_\_\_\_

**DISTRICT NAME** \_\_\_\_\_

**SCHOOL YEAR** \_\_\_\_\_

**DATE** \_\_\_\_\_

### **District Entitlement**

1A. EP X \$2.75 X Guaranteed Tax Base X Proration Factor  
 \_\_\_\_\_ X \$2.75 X \_\_\_\_\_/100 X \_\_\_\_\_ = \_\_\_\_\_

1B. EP X Equalized Adj. Oper. Levy (or Reassessment Calculated Levy) > \$2.75 X Guaranteed Tax Base X Proration Factor  
 \_\_\_\_\_ X \_\_\_\_\_ X \_\_\_\_\_/100 X \_\_\_\_\_ = \_\_\_\_\_

### **Deductions**

2. Equalized Assessed Valuation X District Income Factor X "District Actual" Equal. Adj. Oper. Levy

a. December 31, 1994 AV \_\_\_\_\_/100 X \_\_\_\_\_ X \_\_\_\_\_ = \_\_\_\_\_

b. Averaged 12-31 AV - 12-31-94 AV \_\_\_\_\_/100 X \_\_\_\_\_ (max at 1.0000) X \_\_\_\_\_ = \_\_\_\_\_  
 Total Dec 31 Preceding Year (2a AV + 2b AV) (Crosscheck line only) = \_\_\_\_\_

3. Intangible Taxes, Fines [excluding Animal Feeding Operations penalties], In Lieu of Tax, Etc., for School Purposes (100% Received Previous Year) = \_\_\_\_\_

4. State Assessed Railroad & Utility Revenue for School Purposes (100% Received Previous Year) = \_\_\_\_\_

5. Federal Properties for School Purposes (100% Received Previous Year) = \_\_\_\_\_

6. Federal Impact Aid Revenue for School Purposes (100% Received Previous Year - 50,000 x 90%) = 0

7. Proposition C Revenue for School Purposes (100% Received Previous Year x .5000) = \_\_\_\_\_

8. Fair Share Revenue for School Purposes (100% Received Previous Year) = \_\_\_\_\_

9. Free Textbook Revenue for School Purposes (100% Received Previous Year) = \_\_\_\_\_

10. Total Deductions (Sum of Lines 2-9) = \_\_\_\_\_

### **Basic Formula** (Line 1 minus Line 10)

14A. Free & Reduced Lunch/At Risk  
 Free & Reduced Lunch Count X .20 X GTB X Minimum Levy X Proration Factor  
 \_\_\_\_\_ X .20 X \_\_\_\_\_/100 X 2.75 X \_\_\_\_\_ = \_\_\_\_\_

14B. Free & Reduced Lunch Count X .30 X 1998-99 GTB X (Oper. Levy - \$2.75) X Proration Factor  
 \_\_\_\_\_ X .30 X 119,163/100 X \_\_\_\_\_ X \_\_\_\_\_ = \_\_\_\_\_

**Line 14 Total** (Line 14A + 14B) = \_\_\_\_\_

A. **District Apportionment** (Line 1 minus Line 10 plus Line 14A + 14B) = \_\_\_\_\_

B. **District Apportionment per EP** (Line A divided by EP, calculated to a minimum of 5 decimal places) = \_\_\_\_\_

C. 1992-93 Recalculated Amount per EP = \_\_\_\_\_ (Historical value expressed to at least 5 decimal places)

Hold Harmless Amount = Greater of Option 1 or 2:

Option 1: 1992-93/EP + (20\_\_ - \_\_ Line 14(A + B)/EP - 1997-98 Line 14/EP)

\_\_\_\_\_ + \_\_\_\_\_ - \_\_\_\_\_ = \_\_\_\_\_

Option 2: 1992-93/EP + [(20\_\_ - \_\_ Line 1-10/EP + 1992-93/EP) \* 20\_\_ - \_\_ Line 14A/EP]

\_\_\_\_\_ + [(\_\_\_\_\_/\_\_\_\_\_) \* \_\_\_\_\_] = \_\_\_\_\_

D. **20\_\_-\_\_ Payment Amount per EP** (includes line 14 per EP)  
**[Higher of District Apportionment per EP (Line B) or Hold Harmless Option 1 or 2 per EP]** = \_\_\_\_\_

E. Multiplied by 20\_\_-\_\_ Payment EP of \_\_\_\_\_ equals \_\_\_\_\_

F. Basic Formula and Line 14 = \_\_\_\_\_

G. Less Line 14 **Revenue Code 5318** = \_\_\_\_\_

H. 20\_\_-\_\_ Basic Formula Apportionment (Line F minus Line G) **Revenue Code 5311** = \_\_\_\_\_

## Definitions and Explanations for Formula Calculation

**District Entitlement** - The amount of combined state and local revenue guaranteed based on the district's tax levy in the General (Incidental) and Special Revenue (Teachers) Funds. Section 163.011(13) includes a provision to allow a district to designate up to and including eighteen cents of the tax rate in the combined Debt Service and Capital Projects Funds to be included in the operating levy for school purposes if certain qualifications are met.

**Line 1 Eligible Pupil (EP)** is the greater of the actual EP for the second preceding year, first preceding year or the estimated payment EP for the current payment year. Eligible pupils are the sum of the average daily attendance of the regular school term plus the doubled average daily attendance of the summer school term.

**Equalized Adjusted Operating Levy** is the equalized levy after Proposition C rollback for School Purposes\*.

**Reassessment Calculated Levy** is the levy necessary to maintain revenue neutrality of state money in Lines 1 and 2 when the tax levy in Lines 1 and 2 decreases due to reassessment exceeding the Consumer Price Index.

For this worksheet, the Line 1A levy will equal \$2.75. The Line 1B levy equals the amount of levy > \$2.75. When district's tax levy is ≤ \$2.75, use other worksheet.

**Guaranteed Tax Base (GTB)** is the amount of equalized assessed valuation per eligible pupil guaranteed each school district from state and local sources in the computation of state aid and is calculated by multiplying the state average assessed valuation per EP for the third and fourth preceding year by 2.167.

**Proration Factor** on both Lines 1A and 1B are the same for all districts. The proration of the district entitlement causes the entitlement per EP to change in equal proportion for all districts based on the dollars available compared to the dollars needed. The Line 1A proration factor will not be more than .05 greater than the Line 1B proration factor.

**Deductions** Lines 2 through 9

**Line 2 Equalized Assessed Valuation (AV)** used on line 2 is based on the average of the first and second preceding years December 31 assessed valuation. This value is used as follows: Line 2a shall be the lesser of the average of the first and second preceding years December 31 assessed valuation or the December 31, 1994 assessed valuation (AV). Line 2b shall be the increase in AV after December 31, 1994 or zero if there is no increase.

**District Income Factor (DIF)** is the figure determined by DESE based on data from Department of Revenue. Income factors to be used in a payment year's calculation are mailed to school districts in April prior to the payment year. A DIF no greater than 1.0000 is applied to increases in AV after December 31, 1994. The income factor is calculated as follows:  $1 + [.30 \times (\text{income ratio} - 1.00)]$ . The income ratio is the district adjusted gross income per return divided by the state average adjusted gross income per return.

**Equalized Adjusted Operating Levy** is the equalized levy after Proposition C rollback for School Purposes\*.

**Line 3 Intangible Taxes** (revenue code 5114), **Fines, Escheats, Overplus, Etc.** [excludes Animal Feeding Operations penalties paid after July 1, 1995] (revenue code 5211), and **In Lieu of Tax** (revenue code 5116) for School Purposes\* received in the prior year.

**Line 4 State Assessed Railroad and Utility Revenue** (revenue code 5221) for School Purposes\* received in the prior year.

**Line 5 Federal Properties Revenue** (revenue code 5231) for School Purposes\* received in the prior year. The Federal Properties Revenue may be Federal Flood, Federal Forest, or Federal Mineral Lease.

**Line 6 Federal Impact Aid Revenue** for all districts will be set at "0" until the formula meets the equity test of the federal range ratio.

**Line 7 Proposition C Revenue** (revenue code 5113) for School Purposes\* received in the prior year. (Only one half of revenue received is included on this line.)

**Line 8 Fair Share Revenue** (revenue code 5334) for School Purposes\* received in the prior year. Fair Share Revenue is generated from a portion of the cigarette tax and is distributed to school districts as an equal amount per average daily attendance to all districts.

**Line 9 Free Textbook Revenue** (revenue code 5331) for School Purposes\* received in the prior year. Free Textbook Revenue is generated from a tax on foreign insurance companies (insurance companies doing business in Missouri but whose home office is in another state) and is distributed to school districts as an equal amount per September membership to all districts.

**Line 10 Total Deductions** is the sum of Lines 2-9.

**Line 14 Free & Reduced Lunch Count** is the count made the last Wednesday of January in the previous school year of students enrolled on the count day who were in attendance one or more of the ten preceding school days and who qualified for free or reduced lunch program. This is a full-time equivalency count.

**Guaranteed Tax Base (GTB)** is the amount of equalized assessed valuation per eligible pupil guaranteed each school district from state and local sources in the computation of state aid and is calculated by multiplying the state average assessed valuation per EP for the third and fourth preceding year by 2.167.

**Proration Factor** is the same for all districts. The proration of Line 14 causes the value of Line 14 to change in equal proportion for all districts when Line 14 is under-funded or the Basic Formula is under-funded. Line 14A is prorated the same as Line 1A and Line 14B is prorated the same as Line 1B.

**Line A** Line 1 minus Line 10 plus Line 14.

**Line B** Line A calculated amount divided by EP used in Line 1.

**Line C** 1992-93 recalculated amount per EP taken from the June 1994 formula calculation by DESE (historical value).

**Line D** Higher of District Apportionment per EP (Line B) or Hold Harmless Option 1 or 2 Amount per EP.

**Line E** Payment EP is the EP used on Line 1.

**Line F** Line D multiplied by Line E.

**Line G** Payment year calculation of Line 14 represents amount of total formula dollars to be paid that is generated from Line 14, Free & Reduced Lunch Count/At Risk.

**Line H** Amount of Basic Formula dollars generated for payment year (Line F minus Line G). This amount is multiplied by 1% to determine Professional Development Committee Budgetary Money.

\* Section 163.011(14), RSMo, defines School Purposes as the General (Incidental) and Special Revenue (Teachers) Funds.

# **FORMULA CALCULATIONS FOR DISTRIBUTION OF STATE SCHOOL MONEY**

For Districts with Operating Levy for School Purposes ≤ \$2.75

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[See back of worksheet for definitions and explanations for each line.]

**CO-DIST NO.** \_\_\_\_\_

**DISTRICT NAME** \_\_\_\_\_

**SCHOOL YEAR** \_\_\_\_\_

**DATE** \_\_\_\_\_

### **District Entitlement**

1. EP X Equalized Adj. Oper. Levy (or Reassessment Calculated Levy) X Guaranteed Tax Base X Proration Factor  
 \_\_\_\_\_ X \_\_\_\_\_ X \_\_\_\_\_/100 X \_\_\_\_\_ = \_\_\_\_\_

### **Deductions**

2. Equalized Assessed Valuation X District Income Factor X "District Actual" Equal. Adj. Oper. Levy

a. December 31, 1994 AV \_\_\_\_\_/100 X \_\_\_\_\_ X \_\_\_\_\_ = \_\_\_\_\_

b. Averaged 12-31 AV - 12-31-94 AV \_\_\_\_\_/100 X \_\_\_\_\_ (max at 1.0000) X \_\_\_\_\_ = \_\_\_\_\_

Total Dec 31 Preceding Year (2a AV + 2b AV) (Crosscheck line only) = \_\_\_\_\_

3. Intangible Taxes, Fines [excluding Animal Feeding Operations penalties], In Lieu of Tax, Etc. for School Purposes (100% Received Previous Year) = \_\_\_\_\_

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10. Total Deductions (Sum of Lines 2-9) = \_\_\_\_\_

**Basic Formula** (Line 1 minus Line 10) = \_\_\_\_\_

14. Free & Reduced Lunch/At Risk (Free & Reduced Lunch Count X .22 X GTB X Minimum Levy X Proration Factor)  
 \_\_\_\_\_ X .22 X \_\_\_\_\_/100 X 2.75 X \_\_\_\_\_ = \_\_\_\_\_

A. **District Apportionment** (Line 1 minus Line 10 plus Line 14) = \_\_\_\_\_

B. **District Apportionment per EP** (Line A divided by EP, calculated to a minimum of 5 decimal places) = \_\_\_\_\_

C. 1992-93 Recalculated Amount per EP = \_\_\_\_\_  
 (Historical value expressed to at least 5 decimal places)

Hold Harmless Amount = Greater of Option 1 or 2:

Option 1: 1992-93/EP + (20\_\_ - \_\_ Line 14(A + B)/EP - 1997-98 Line 14/EP)

\_\_\_\_\_ + \_\_\_\_\_ - \_\_\_\_\_ = \_\_\_\_\_

Option 2: 1992-93/EP + [(20\_\_ - \_\_ Line 1-10/EP + 1992-93/EP) \* 20\_\_ - \_\_ Line 14A/EP]

\_\_\_\_\_ + [(\_\_\_\_\_/\_\_\_\_\_) \* \_\_\_\_\_] = \_\_\_\_\_

D. **20\_\_ - \_\_ Payment Amount per EP** (includes line 14 per EP) [Higher of District Apportionment per EP (Line B) or Hold Harmless Option 1 or 2 per EP] = \_\_\_\_\_

E. Multiplied by 20\_\_ - \_\_ Payment EP of \_\_\_\_\_ equals

F. Basic Formula and Line 14 = \_\_\_\_\_

G. Less Line 14 **Revenue Code 5318** = \_\_\_\_\_

H. 20\_\_ - \_\_ Basic Formula Apportionment (Line F minus Line G) **Revenue Code 5311** = \_\_\_\_\_

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